

## 2013 DRAFTING REQUEST

### Bill

Received: 10/2/2013 Received By: jkreye  
Wanted: As time permits Same as LRB:  
For: Chris Taylor (608) 266-5342 By/Representing: grace  
May Contact: Drafter: jkreye  
Subject: Tax, Property - other Addl. Drafters:  
Extra Copies:

Submit via email: YES  
Requester's email: Rep.Taylor@legis.wisconsin.gov  
Carbon copy (CC) to: joseph.kreye@legis.wisconsin.gov

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### Pre Topic:

No specific pre topic given

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### Topic:

Payments for municipal services

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### Instructions:

See attached

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### Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	jkreye 11/20/2013	jdyer 10/16/2013	jfrantze 10/16/2013	_____	mbarman 10/16/2013		State S&L
/1		jdyer 11/21/2013	jmurphy 11/21/2013	_____	srose 11/21/2013	sbasford 1/28/2014	State S&L

FE Sent For:

@  
INTRO

<END>

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/P1	jkreye 11/20/2013	jdyer 10/16/2013	jfrantze 10/16/2013	_____	mbarman 10/16/2013		State S&L
/1		jdyer 11/21/2013	jmurphy 11/21/2013	_____	srose 11/21/2013		State S&L

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Payments for municipal services ✓

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/P1	jkreye 10/3/2013	jdye 10/16/2013	jfrantze 10/16/2013	_____	mbarman 10/16/2013		State S&L

FE Sent For:

  
<END>

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/P1	jkreye	P1 10/16 JU	J 10/16				

FE Sent For:

<END>

**Kreye, Joseph**

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**From:** Shovers, Marc  
**Sent:** Wednesday, October 02, 2013 1:16 PM  
**To:** Kreye, Joseph  
**Subject:** FW: Municipal Service Payments

Do you do these payments?

---

**From:** O'Meara, Grace  
**Sent:** Wednesday, October 02, 2013 11:50 AM  
**To:** Shovers, Marc  
**Subject:** Municipal Service Payments

Hi Marc,

Rep Taylor would like a bill drafted that would require the state of Wisconsin to fully fund the Municipal Service Payments that it owes to municipalities in perpetuity.

Thank you,  
Grace O'Meara  
Legislative Intern  
Representative Chris Taylor



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-3324/P1

JK:.....

↑  
Jld

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in thru  
10-3-13

D-N

✓

Gen

- 1 AN ACT ...; relating to: state payments for municipal services and making an  
2 appropriation.✓

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***Analysis by the Legislative Reference Bureau***

Under current law, instead of paying property taxes, the state pays municipalities for municipal services provided to state facilities located in the municipalities.✓ The state negotiates the payment amount with each municipality based on the state's calculation of the value of state property located in the municipality. If the appropriation for making the payments for municipal services is insufficient for paying the full amount of all the negotiated payments, the state prorates the payments among the municipalities.✓

Under this bill, a municipality in which any state facility is located determines the amount of the payment for municipal services provided to any such facility and the state pays the full amount.✓

For further information see the ✓**state and local** fiscal estimate, which will be printed as an appendix to this bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

- 3 SECTION 1. 20.835 (5) (a) <sup>✓</sup>of the statutes is amended to read:

1           20.835 (5) (a) *Payments for municipal services.* ~~The amounts in the schedule~~  
2    A sum sufficient✓ to make payments for municipal services provided by municipalities  
3    to state facilities, as determined under s. 70.119 (7).

History: 1971 c. 125 ss. 192 to 195, 521; 1971 c. 215; 1973 c. 90, 158, 333; 1975 c. 39; 1975 c. 372 s. 41; 1975 c. 424; 1977 c. 29, 31, 313, 418, 447; 1979 c. 34 ss. 637m to 643m, 2102 (46) (d); 1979 c. 221; 1979 c. 329 s. 25 (1); 1979 c. 350 s. 27 (1); 1981 c. 1, 20, 93, 317; 1983 a. 2 ss. 1, 12; 1983 a. 27 ss. 489m, 490m, 2202 (45); 1985 a. 29, 41, 205; 1987 a. 27 ss. 473 to 474r, 476; 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 323, 328, 399, 411, 422; 1989 a. 31 ss. 551 to 557m, 564m; 1989 a. 56 s. 259; 1989 a. 336; 1991 a. 37; 1991 a. 39 ss. 250m, 653m to 659m; 1991 a. 225, 269; 1993 a. 16, 263; 1995 a. 27, 56, 209, 417; 1997 a. 27, 237; 1999 a. 5, 9, 10; 1999 a. 150 s. 672; 1999 a. 167; 2001 a. 16, 105, 109; 2003 a. 31, 33, 320; 2005 a. 25, 361, 405, 483; 2007 a. 20, 96, 97, 226; 2009 a. 2, 28, 269, 295; 2011 a. 32; 2011 a. 260 s. 80; 2013 a. 20.

4           **SECTION 2.** 70.119 (1) of the statutes is amended to read:

5           70.119 (1) The state and the University of Wisconsin Hospitals and Clinics  
6    Authority shall make ~~reasonable~~ payments, in full✓, at established rates for water,  
7    sewer and electrical services and all other services directly provided by a  
8    municipality to state facilities and facilities of the University of Wisconsin Hospitals  
9    and Clinics Authority described in s. 70.11 (38), including garbage and trash disposal  
10   and collection, which are financed in whole or in part by special charges or fees. Such  
11   payments for services provided to state facilities shall be made from the  
12   appropriations to state agencies for the operation of the facilities. Each state agency  
13   making such payments shall annually report the payments to the department.

History: 1971 c. 328; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1977 c. 418 ss. 470 to 473, 929 (1); 1979 c. 34 s. 2102 (58) (a); 1981 c. 20; 1987 a. 27, 399; 1989 a. 31; 1991 a. 269; 1995 a. 27; 2013 a. 20.

14          **SECTION 3.** 70.119 (2) of the statutes is amended to read:

15          70.119 (2) The department shall make ~~reasonable~~ payments, in full✓, for  
16    municipal services ~~pursuant to the procedures specified in subs. (4), (5) and as~~✓  
17    provided under sub. (6)✓, except as provided ~~in~~ under sub. (9)✓.

History: 1971 c. 328; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1977 c. 418 ss. 470 to 473, 929 (1); 1979 c. 34 s. 2102 (58) (a); 1981 c. 20; 1987 a. 27, 399; 1989 a. 31; 1991 a. 269; 1995 a. 27; 2013 a. 20.

18          **SECTION 4.** 70.119 (3) (a) of the statutes is repealed.

19          **SECTION 5.** 70.119 (4) and (5) of the statutes are repealed.

20          **SECTION 6.** 70.119 (6) of the statutes, as affected by 2013 Wisconsin Act 20, is  
21    amended to read:

1           70.119 (6) ~~No later than November 15 annually, the department shall report~~  
2 ~~to the cochairpersons of the committee the results of its negotiations and the total~~  
3 ~~payments proposed to be made in the subsequent calendar year.~~ ✓ In computing the  
4 proposed payments to a municipality, the department ~~municipality~~ ✓ shall base its  
5 calculations on the values of state facilities and facilities of the University of  
6 Wisconsin Hospitals and Clinics Authority described in s. 70.11 (38), as determined  
7 by the department ~~municipality~~ ✓ for January 1 of the preceding year ~~preceding the~~  
8 ~~year of the report~~, and the values of improvements to property in the municipality  
9 as determined under s. 70.57 (1) for January 1 of the ✓ preceding year ~~preceding the~~  
10 ~~year of the report~~, and shall also base its calculations on revenues and expenditures  
11 of the municipality as reported under s. 73.10 (2) for the ✓ preceding year ~~preceding~~  
12 ~~the year of the report.~~

**History:** 1971 c. 328; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1977 c. 418 ss. 470 to 473, 929 (1); 1979 c. 34 s. 2102 (58) (a); 1981 c. 20; 1987 a. 27, 399; 1989 a. 31; 1991 a. 269; 1995 a. 27; 2013 a. 20.

13           **SECTION 7.** 70.119 (7) (a) of the statutes is amended to read:

14           70.119 (7) (a) The department shall make payment from the appropriation  
15 under s. 20.835 (5) (a) for municipal services provided by municipalities to state  
16 facilities. ~~If the appropriation under s. 20.835 (5) (a) is insufficient to pay the full~~  
17 ~~amount under sub. (6) in any one year, the department shall prorate payments~~  
18 ~~among the municipalities entitled thereto.~~ ✓ The University of Wisconsin Hospitals  
19 and Clinics Authority shall make payment for municipal services provided by  
20 municipalities to facilities of the authority described in s. 70.11 (38).

**History:** 1971 c. 328; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1977 c. 418 ss. 470 to 473, 929 (1); 1979 c. 34 s. 2102 (58) (a); 1981 c. 20; 1987 a. 27, 399; 1989 a. 31; 1991 a. 269; 1995 a. 27; 2013 a. 20.

21           **SECTION 8.** 70.119 (7) (c) of the statutes is amended to read:

22           70.119 (7) (c) The department shall assess to the appropriate program revenue  
23 and program revenue-service accounts and segregated funds the costs of providing



1 payments for municipal services for the administration of programs financed from  
2 program revenues or segregated revenues, except program revenues derived from  
3 academic student fees levied by the board of regents of the University of Wisconsin  
4 System. ~~If payments are prorated under par. (a) in any year, the department shall~~  
5 ~~assess costs under this paragraph as affected by the proration.~~ The department shall  
6 transfer to the general fund an amount equal to the assessments in each year from  
7 the appropriate program revenue, program revenue-service and segregated revenue  
8 appropriations.

History: 1971 c. 328; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1977 c. 418 ss. 470 to 473, 929 (1); 1979 c. 34 s. 2102 (58) (a); 1981 c. 20; 1987 a. 27, 399; 1989 a. 31; 1991 a. 269; 1995 a. 27; 2013 a. 20.

9 **SECTION 9. Initial applicability.**

10 (1) This act first applies to payments made in 2014.✓

11 (END)

d-note  
↓

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3324/P1dn

JK:.....

date

jld

Representative Taylor:

Please review this draft carefully to ensure that it is consistent with your intent. ✓

Joseph T. Kreye  
Senior Legislative Attorney  
Phone: (608) 266-2263  
E-mail: joseph.kreye@legis.wisconsin.gov

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3324/P1dn  
JK:jld:jf

October 16, 2013

Representative Taylor:

Please review this draft carefully to ensure that it is consistent with your intent.

Joseph T. Kreye  
Senior Legislative Attorney  
Phone: (608) 266-2263  
E-mail: [joseph.kreye@legis.wisconsin.gov](mailto:joseph.kreye@legis.wisconsin.gov)

Rep Taylor - Craig

LRB 3324/P1

6-5342

▷ merged service formula

▷ wanted the current procedure to determine the amount

keep the current DOA determination formula



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-3324/P1

JK:jld:jf

2013 BILL RMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in Wed 11-20  
due Wed 11-27

reger

✓

1 AN ACT *to repeal* 70.119 (3) (a) and 70.119 (4) and (5); and *to amend* 20.835 (5)  
2 (a), 70.119 (1), 70.119 (2), 70.119 (6), 70.119 (7) (a) and 70.119 (7) (c) of the  
3 statutes; **relating to:** state payments for municipal services and making an  
4 appropriation. ✓

***Analysis by the Legislative Reference Bureau***

Under current law, instead of paying property taxes, the state pays municipalities for municipal services provided to state facilities located in the municipalities. The state negotiates the payment amount with each municipality based on the state's calculation of the value of state property located in the municipality. If the appropriation for making the payments for municipal services is insufficient for paying the full amount of all the negotiated payments, the state prorates the payments among the municipalities.

Under this bill, a municipality in which any state facility is located determines the amount of the payment for municipal services provided to any such facility and the state pays the full amount

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

of all payments to municipalities for municipal services ✓

1           **SECTION 1.** 20.835 (5) (a) of the statutes is amended to read:

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5           **SECTION 2.** 70.119 (1) of the statutes is amended to read:

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7           Authority shall make ~~reasonable~~ payments, in full, at established rates for water,  
8           sewer and electrical services and all other services directly provided by a  
9           municipality to state facilities and facilities of the University of Wisconsin Hospitals  
10          and Clinics Authority described in s. 70.11 (38), including garbage and trash disposal  
11          and collection, which are financed in whole or in part by special charges or fees. Such  
12          payments for services provided to state facilities shall be made from the  
13          appropriations to state agencies for the operation of the facilities. Each state agency  
14          making such payments shall annually report the payments to the department.

15          **SECTION 3.** 70.119 (2) of the statutes is amended to read:

16          70.119 (2) The department shall make ~~reasonable~~ payments, in full, for  
17          municipal services ~~pursuant to the procedures specified in subs. (4), (5) and~~ as  
18          ~~provided under sub. (6), except as provided in~~ under sub. (9).

19          ~~**SECTION 4.** 70.119 (3) (a) of the statutes is repealed.~~

20          ~~**SECTION 5.** 70.119 (4) and (5) of the statutes are repealed.~~

21          ~~**SECTION 6.** 70.119 (6) of the statutes, as affected by 2013 Wisconsin Act 20, is~~  
22          ~~amended to read:~~

23          ~~70.119 (6) No later than November 15 annually, the department shall report~~  
24          ~~to the cochairpersons of the committee the results of its negotiations and the total~~  
25          ~~payments proposed to be made in the subsequent calendar year. In computing the~~

plain-  
restate

~~proposed payments to a municipality, the department municipality shall base its calculations on the values of state facilities and facilities of the University of Wisconsin Hospitals and Clinics Authority described in s. 70.11 (38), as determined by the department municipality for January 1 of the preceding year ~~preceding the year of the report~~, and the values of improvements to property in the municipality as determined under s. 70.57 (1) for January 1 of the preceding year ~~preceding the year of the report~~, and shall also base its calculations on revenues and expenditures of the municipality as reported under s. 73.10 (2) for the preceding year ~~preceding the year of the report~~.~~

SECTION 7. 70.119 (7) (a) of the statutes is amended to read:

70.119 (7) (a) The department shall make payment from the appropriation under s. 20.835 (5) (a) for municipal services provided by municipalities to state facilities. ~~If the appropriation under s. 20.835 (5) (a) is insufficient to pay the full amount under sub. (6) in any one year, the department shall prorate payments among the municipalities entitled thereto.~~ The University of Wisconsin Hospitals and Clinics Authority shall make payment for municipal services provided by municipalities to facilities of the authority described in s. 70.11 (38).

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70.119 (7) (c) The department shall assess to the appropriate program revenue and program revenue-service accounts and segregated funds the costs of providing payments for municipal services for the administration of programs financed from program revenues or segregated revenues, except program revenues derived from academic student fees levied by the board of regents of the University of Wisconsin System. ~~If payments are prorated under par. (a) in any year, the department shall assess costs under this paragraph as affected by the proration.~~ The department shall

1 transfer to the general fund an amount equal to the assessments in each year from  
2 the appropriate program revenue, program revenue-service and segregated revenue  
3 appropriations.

4 **SECTION 9. Initial applicability.**

5 (1) This act first applies to payments made in 2014.

6 (END)



**Basford, Sarah**

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**From:** Trost, Craig  
**Sent:** Tuesday, January 28, 2014 2:42 PM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB -3324/1 Topic: Payments for municipal services

Please Jacket LRB -3324/1 for the ASSEMBLY.